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SUBJECT: ROMANIAN CIVIL SOCIETY GROUPS EXPRESS CAUTIOUS
OPTIMISM FOR PROGRESS AGAINST CORRUPTION

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1. (SBU) Summary. Leading Romanian civil society representatives expressed cautious optimism about anti-corruption efforts under newly elected President Traian Basescu during a February 2 Embassy sponsored roundtable discussion. Corruption remains a top concern for most Romanians according to opinion polls. While acknowledging the many challenges to stamping out corruption in Romania, participants offered a variety of ideas to fight corruption, but highlighted Basescu's apparent "political will" and EU pressure as positive forces pushing anti-corruption efforts forward. Civil society representatives cited public administration reform and greater public participation in the political process as key ingredients for long-term success. End Summary.

2. (SBU) Leading Romanian civil society organizations, along with representatives from the OECD and UK and U.S. embassies discussed Romania's ongoing anti-corruption efforts during a February 2 roundtable sponsored by U.S. Embassy Bucharest's Resident Legal Advisor. Participating organizations included those at the forefront of Romanian civil society's efforts to educate the public on the impact of corruption and to press the GOR to take needed action. They included Transparency International, the Open Society Foundation, the American Chamber of Commerce, the Council of Foreign Investors and the American Bar Association Central European and Eurasian Law Initiative (ABA-CEELI). Influential Romanian think tanks included the Romanian Academic Society and the Institute for Public Policy. Leading local grassroots democracy organizations present included Pro Democracy, the Romanian Association for Democracy Implementation, and the Romanian Center for Independent Journalism.

A Question of Political Will?

3. (SBU) Overall, participants agreed that the new Liberal-Democratic (PNL-PD) led government, coupled with President Basescu's outspoken public stance against corruption, provides a catalyst for renewing Romania's battle against corruption. While many remarked that the previous government demonstrated little "political will" to fight corruption, most participants agreed that Basescu and his team -- at least at the beginning of their administration -- appear committed to taking serious, actionable measures to counter corruption. Some of the Government's initial steps include Basescu's designation of anti-corruption efforts as a "national security priority," plans to more strictly review dignitaries' declarations of wealth through establishment of a National Integrity Council, and the January 27 decision to scrap immunity privileges for former ministers (see paragraph 10). Participants noted that a major challenge for the new government will be to sustain this energy and focus over time and to resist the temptation to focus anti-corruption efforts solely against the opposition Social Democratic Party (PSD). Basescu has expressed a commitment to "political neutrality" in the anti-corruption battle. Civil Society representatives at the roundtable expressed an intention to hold Basescu, Prime Minister Calin Popescu-Tariceanu and others now in government accountable for keeping that promise.

4. (SBU) Transparency International and Pro Democracy also highlighted EU criticism against Romania on corruption as a powerful motivating force to spur GOR action. One UK Embassy representative noted that external pressure from the EU is now coupled with internal pressure driven by President Basescu's designation of anti-corruption efforts as a "national security priority." He opined that Basescu's government needs several "quick wins" to set the tone and improve public perception, while acknowledging that the real battle against entrenched corruption in Romania is a long-term process.

GOR Anti-Corruption Strategy: More than Good Intentions?

5. (SBU) Romania's 2005-2007 National Anti-Corruption

Strategy, slated for release in March, emerged as a focal point for the discussion. This strategy, which follows up on the largely unimplemented 2001-2004 Anti-Corruption program, is designed to serve as both a framework and action plan for the government's anti-corruption policies. ABA-CELI Madeleine Crohn noted that the strategy also ties in closely with the EU accession "safeguard clause," which calls for an independent audit of the current anti-corruption strategy no later than March 2005, along with a multi-year strategy, including clearly defined benchmarks and goals. Failure to meet these requirements ostensibly could delay Romania's EU entry by one year. Critics of the National Anti-Corruption Strategy, such as the local Transparency International representative, pointed out that rolling out a new 2005-2007 strategy may create a false impression of progress, given the lack of implementation and follow through found in many of the 2001-2004 goals.

16. (SBU) Many roundtable participants viewed the strategy development process, led by the Ministry of Justice, as inadequate, given that many stakeholders were not included in the initial consultations process. A representative from the OECD Anti-corruption Office expressed concern over the MOJ's basic lack of internal capacity to develop such a wide-reaching strategy, noting that only five employees work in the department charged with developing and drafting the National Anti-Corruption Strategy. She opined that the concept of consulting with various civil society, business and government leaders to develop an effective program is a relatively new concept in Romania, complicated by the fact that communication between government agencies is often less than ideal.

17. (SBU) Other participants raised fundamental concerns about developing a National Anti-Corruption strategy, questioning its "value added." They also noted two key elements lacking in the 2001-2004 National Anti-Corruption Strategy: clear performance indicators and accountability, although many believed steps to correct these deficiencies were underway in the 2005-2007 Strategy. Participants across the board agreed that stakeholders, including government agencies, civil society and the business community, need a strong political signal from the government to push them to implement. A national anti-corruption publicity campaign also could advance these efforts, according to participants.

Proposed Steps against Corruption

18. (SBU) Civil society representatives highlighted the critical need for increased public participation in the political process to improve public officials' accountability and crack down on corruption. Streamlining and increasing accountability in Romania's public administration system also emerged as a top priority. According to the Transparency International representative, weakness in the Romanian public administration system is a catalyst for corruption. The overly bureaucratic system presents numerous opportunities for bribery, while providing few checks or sanctions on official misconduct. Building on this perception, ABA-CEELI noted that a step as simple as a paper reduction act could significantly increase accountability and efficiency in the public administration system. Several participants advocated consolidating the twenty-six agencies charged with investigating compliance with government regulations into a more streamlined entity as a means to stamp out excessive bureaucracy.

19. (SBU) On the legislative front, the UK Customs advisor recommended reforming customs legislation to reduce ambiguities in penalties and fines, which open the door for negotiated payments and bribery, and establishing a code of conduct for tax officers. Several participants advocated creating a broad anti-corruption working group, comprised of government and non-government officials, to monitor implementation of the Anti-Corruption Strategy. Others, including the UK Advisor to the Ministry of Interior supported the idea of a strategic committee to monitor and report on National Anti-Corruption Prosecutor's Office (PNA) activity as means to improve effectiveness in developing and implementing Romania's anti-corruption strategy.

National Integrity Council: A Step Forward?

10. (SBU) Transparency International and other civil society organizations applauded the government's recent decision to create a National Integrity Council charged with verifying dignitaries' property and wealth declarations, as well as the January 27 decision scrapping immunity privileges protecting former cabinet members from prosecution. Participants agreed that these measures pave the way for stepped-up action against high-level corruption. The Romanian Center for Independent Journalism cited recent MOJ pledges to remove libel from the criminal code as an encouraging sign, noting that fear of prosecution often hindered journalists' ability to publish articles concerning

corruption.

Anti Corruption Prosecutor's Office: An Absence of Oversight

11. (SBU) Roundtable participants agreed that the National Anti-Corruption Prosecutor's Office (PNA) could become a powerful engine for combating high-level corruption. However, several fundamental changes, including in the willingness of individual prosecutors to pursue politically sensitive cases, are needed for the PNA to meet its true potential. Civil society representatives were divided over the benefits of amending legislation to provide parliamentary oversight of the PNA. Nevertheless, a general consensus emerged that current oversight of the PNA was inadequate, and contributed to public skepticism about the PNA's commitment to impartial investigations. One participant suggested creating a review board that periodically assessed PNA actions and reported to parliament. The assessment would focus on individual cases rather than PNA efficiency generally. In conjunction with concerns about oversight, participants expressed a corresponding concern with the impact of the management procedures used in Romanian prosecutors offices generally. This concern includes two components: First, as magistrates, Romanian prosecutors are subject to the separate judicial body (the Superior Council of Magistrates or SCM) for many issues related to the evaluation and promotion of their staff; second, there is an overemphasis on jurisdictional boundaries to control what are essentially managerial decisions effecting prosecutorial policies and priorities. In short, although the management of prosecutorial institutions like the PNA can be criticized, there is a need to recognize the limitations placed on managers through legislation and governing bodies such as the SCM.

12. (SBU) The civil society representatives present summed up by stating that they would continue monitoring implementation of the National Anti-Corruption Strategy. They also urged U.S. and UK representatives to continue advocating tough anti-corruption measures with Romanian government.

Comment

13. (SBU) Corruption remains a top issue for the Romanian public. Indeed, a November 2004 opinion poll showed it topped the list of voter concerns, with 52 percent of respondents stating that corruption plays a role in their daily lives. The issue was one of the key contributors to Basescu's December electoral victory, as his party alliance was perceived as more committed to combating corruption and much less tainted by corruption allegations than the then ruling PSD. Post agrees with the roundtable's assessment that Basescu and the Tariceanu government have started out strong on corruption, at least in terms of expressed intentions. It is now incumbent on the new leadership to follow through by implementing key reforms, changing attitudes in an entrenched bureaucracy, and removing the battle on corruption from the sphere of partisan politics. Civil society organizations and the U.S. Embassy have played essential roles in elevating the issue of corruption as a national concern. We will continue to engage the Government and cooperate with NGOs and other interested parties on this issue.

14. (U) AmEmbassy Bucharest's reporting telegrams are available on the Bucharest SIPRNET Website:
www.state.gov/p/eur/bucharest.

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